

MARTIN L. STERN
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April 12, 2007

Ms. Marlene Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: *In the Matter of Knology, Inc. Request for Waiver of
47 C.F.R. § 76.1204(a)(1), CSR -- _____, CS Docket 97-80*

Dear Ms. Dortch,

Knology, Inc. (“Knology”), by its attorneys, hereby supplements its April 2, 2007 request for a limited waiver, filed on behalf of itself and its subsidiaries, of section 76.1204(a)(1) of the Commissions rules, 47 C.F.R. § 76.1204(a)(1) (“Petition”).¹

As noted in the Petition (at note 1), Knology’s acquisition of PrairieWave Communications, Inc. (“PrairieWave Communications”), a small provider of voice, video, and broadband services in South Dakota, southwestern Minnesota, and northwestern Iowa, was in the process of closing at the time of filing. On April 3, 2007, the acquisition closed and PrairieWave Communications, and its multichannel video programming distributor (“MVPD”) subsidiary companies (collectively, the “PrairieWave companies”), are now wholly-owned subsidiaries of Knology.² Knology thus hereby supplements its Petition to add its newly-acquired multichannel video operations, and provides the following supplemental information with respect to the PrairieWave companies.

¹ Terms not otherwise defined herein, have the meaning ascribed to them in the Petition.

² The recent closing concluded an Agreement and Plan of Merger (“Merger Agreement”), signed January 8, 2007, under which a wholly-owned subsidiary of Knology, Knology Acquisition Sub, Inc. (“Knology Acquisition Sub”), merged with and into PrairieWave Holdings Inc. (“PrairieWave Holdings”), the parent company of PrairieWave Communications. Under the Agreement, all of the issued and outstanding shares of PrairieWave Holdings that existed immediately prior to the merger, were exchanged at closing for cash consideration and cancelled, while the issued and outstanding shares of Knology Acquisition Sub were converted into new shares of PrairieWave Holdings, which are now held by Knology, **thus, as a result of the Agreement, the PrairieWave companies became wholly-owned subsidiaries of Knology.**

PrairieWave Communications is a small, rural provider of voice, video and broadband Internet access services in South Dakota, Iowa, and Minnesota. PrairieWave Communications provides voice, video, and broadband Internet access services: (1) in Sioux Falls, South Dakota and 24 rural communities in eastern South Dakota and southwestern Minnesota, and Storm Lake and Lakeside, Iowa, through PrairieWave Telecommunications, Inc.; and (2) in Rapid City, South Dakota and ten other rural communities in an area of the Black Hills of western South Dakota known as the Northern Hills, through PrairieWave Black Hills, LLC. PrairieWave also operates PrairieWave Community Telephone, a rural incumbent local exchange carrier and former cooperative operating 14 rural exchanges in southeastern South Dakota, which provides voice, video and Internet in 8 rural exchanges in southeastern South Dakota; voice and Internet (DSL) in the other six exchanges; and video and Internet access in one community.

The PrairieWave companies are competitive providers of video and broadband Internet services in 30 of their markets, each of which were served by an existing incumbent cable operator prior to PrairieWave's entry. In particular, incumbent operator Midcontinent Communications competes with PrairieWave in approximately 60% of PrairieWave's markets, and incumbent operators Charter Communications and Mediacom Communications each overlap in approximately 15% of PrairieWave's competitive markets. In contrast to PrairieWave, which has only 46,000 video subscribers, Charter Communications and Mediacom are among the top ten largest cable operators in the nation based on 2005 subscriber information, with 6 million subscribers and 1.4 million subscribers, respectively,³ while Midcontinent reportedly has approximately 196,000 subscribers in North Dakota and South Dakota. With the addition of PrairieWave's operations, Knology has approximately 226,000 video connections. As is the case with Knology (*See* Petition at 3), the PrairieWave companies, in anticipation of the Integration Ban deadline, are placing orders for Cablecard-compliant STBs sufficient to meet their near-term needs for new activations, retirement of existing equipment, and replacements for faulty STBs.

³ *Matter of Annual Assessment of the Status & Competition in the Mkt. for the Delivery of Video Programming*, Twelfth Annual Report, 21 FCC Rcd 2503, Table B-3 (2006).

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In adding the PrairieWave companies to the Petition as newly added subsidiary companies, the basis and grounds for relief set forth in the Petition remain unchanged, and Knology makes no further changes to the Petition other than the addition of the supplemental information included herein. Knology thus respectfully requests that its newly-acquired multichannel video operations be added to the requested relief set forth in the Petition.

Respectfully submitted,

KNOLOGY, INC.

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cc: Ms. Monica Desai, Chief, Media Bureau
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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20054

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DECLARATION OF CHAD C. WACHTER

1. My **name** is Chad C. Wachter. I am the **Vice** President and General Counsel for Knology, Inc. By virtue of my position, I **am** familiar with the equipment acquisition plans ~~with~~ respect to **digital** set top boxes of PrairieWave Communications, Inc. and its subsidiary companies, which **are** wholly owned subsidiaries of Knology.

2. I have read the **foregoing** letter (the "Letter") supplementing the Request for Waiver ("Request") filed by Knology on April 2, 2007 in the captioned docket and I **am** familiar ~~with~~ the contents thereof.

3. I declare under penalty of perjury that the facts contained herein and within the foregoing Letter are true and correct to the best of my knowledge, information, and belief.



Chad C. Wachter
Vice President, General Counsel
Knology, Inc.
Executed on: **April 12, 2007**